

S E C R E T

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SECRET

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State Dept. review completed

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E.O. 12356: DECL: OADR

TAGS: PGOV, RP

SUBJECT: U.S. BUSINESS EXECUTIVE COMMENTS ON HIS RECENT  
 - MEETING WITH PRESIDENT MARCOS

1. SECRET - ENTIRE TEXT.
- <> 2. A VISITING AMERICAN CITIZEN <><>CEO<><> OF A MAJOR  
 U.S. BASED CORPORATION, HAS GIVEN ME AN ORAL REPORT  
 ON HIS CONVERSATION WITH PRESIDENT MARCOS LATE LAST  
 <> MONTH. THE AMERICAN <><>CEO<><> LIVED IN THE PHILIPPINES  
 FOR SEVERAL YEARS IN THE LATE 1980'S AND 1970'S. HE  
 HAD FREQUENT CONTACT WITH MARCOS THEN AND HAS  
 CONTINUED TO SEE HIM FROM TIME TO TIME OVER THE  
 PAST FEW YEARS AS HE HAS RETURNED TO THE PHILIPPINES  
 ON BUSINESS AND PLEASURE TRIPS. HIS MOST RECENT  
 MEETING WITH MARCOS WAS HIS FIRST SINCE DECEMBER 1983.
- <> 3. I HAD MET PRIVATELY WITH THE <><>CEO<><> THE EVENING  
 BEFORE HIS CALL ON THE PRESIDENT. I REINFORCED  
 HIS OWN INCLINATION TO SPEAK FRANKLY TO MARCOS,  
 AS A DEEPLY CONCERNED FRIEND, ABOUT HIS COUNTRY'S  
 NEGATIVE IMAGE ABROAD AND WHAT WOULD HAVE TO  
 OCCUR HERE BEFORE THERE COULD BE ANY RESTORATION  
 OF FOREIGN INVESTOR CONFIDENCE. THE PRESCRIPTION  
 CENTERED LESS ON POLITICS AND MORE ON THE NEED

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FOR SERIOUS STRUCTURAL REFORMS IN THE ECONOMY, ETC.

<> 4. THE <><>CEO<><> GOT BACK TO ME THE FOLLOWING EVENING TO REPORT ON HIS ONE HOUR MEETING WITH MARCOS IN WHICH HE WAS ACCOMPANIED BY ALEX MELCHOR, AN OLD FRIEND AND CURRENTLY THE GOP EXECUTIVE DIRECTOR AT THE ADB. HE SAID HE FOUND MARCOS IN A VERY DEFENSIVE MOOD. EACH TIME THE AMERICAN BUSINESSMAN RAISED A GENERAL AREA OF CONCERN, MARCOS STARTED TO DEBATE THE POINT CITING ONE OR TWO CAREFULLY CHOSEN SPECIFIC CASES TO DISMISS THE GENERAL CONCERN. THE AMERICAN SAID HE HAD TRIED TO REASSURE MARCOS THAT THE ADMINISTRATION AND THE AMERICAN BUSINESS COMMUNITY HAVE CONFIDENCE IN HIS ABILITY TO SOLVE THE COUNTRY'S PROBLEMS. BUT, HE SAID, HIS CHIEF IMPRESSION WAS OF MARCOS' DEFENSIVENESS. HE SEEMED A MAN UNDER SEIGE. MOREOVER, THE BUSINESSMAN STATED, THE PRESIDENT SEEMED VERY CONSCIOUS OF A GROWING GULF BETWEEN HIMSELF AND THE USG.

5. THE ONE POSSIBLY POSITIVE RESULT OF THE MEETING ACCORDING TO THE AMERICAN BUSINESSMAN WAS MARCOS' AGREEMENT TO MEET PRIVATELY WITH A SMALL GROUP OF SENIOR AMERICAN BUSINESSMEN WHO HAVE LONG ASSOCIATION WITH THE PHILIPPINES LATER THIS YEAR TO DISCUSS THE COUNTRY'S PROBLEMS AND POSSIBLE REMEDIES.

6. COMMENT: THE BUSINESSMAN'S COMMENTS ON MARCOS' CURRENT ATTITUDES ARE GENERALLY CONSISTENT WITH OUR OWN. THE PROPOSAL FOR A MEETING BY THE PRESIDENT WITH A GROUP OF SENIOR AMERICAN BUSINESSMEN IS AN IDEA WHICH ALEX MELCHOR HAS BEEN PUSHING FOR SOME TIME. (MELCHOR HAS CONFIRMED TO ME SEPARATELY THAT HE IS GOING AHEAD WITH THE ORGANIZATION OF THIS SESSION, PERHAPS IN EARLY DECEMBER.)

BOSWORTH

END OF MESSAGE

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